



Indiana Economic Development Corporation

January 22, 2008

Jennifer Kane  
Indiana Natural Resources Commission

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Dear Ms. Kane:

Pursuant to IC 4-22-2-28, the Indiana Economic Development Corporation ("IEDC") has reviewed the economic impact analysis for small business associated with new rules in LSA 07-595 proposed by the Indiana Department of Natural Resources ("DNR").

The rule changes amend 312 IAC 18-3-12, which governs standards for the control of the larger pine shoot beetle, by adding Switzerland County to the Indiana state quarantine area. Pursuant to 7 CFR 301.50-3(a) the Administrator of the U.S. Department of Agriculture ("USDA") is authorized to quarantine "each State, or portion of a State, in which the pine shoot beetle has been found". Regulated articles include pine products and articles, products and means of conveyance of the pine shoot beetle as specified in 7 CFR 301.50-2, and previously identified in 312 IAC 18-3-12(d). The presence of the pine shoot beetle has been identified in Switzerland County. The requirements of 7 CFR 301.50 require the implementation of the proposed rule by adding Switzerland County as a quarantined area in order to avoid imposition by the USDA of quarantined status upon the entirety of the State of Indiana. The DNR indicates that only one nursery grower and one nursery dealer identified as small businesses will be subject to the rule. There are four small businesses that buy pine timber from Switzerland County and may be subject to the rule dependent on their current business practices.

The DNR reports that economic costs and reporting costs to small businesses associated with compliance with this rule will be minimal to none. The only changes that may occur in response to the rule may be where the nursery dealer acquires their nursery stock. As there are sufficient nursery growers in non-quarantined counties, these nursery dealers will have little problem acquiring nursery products to operate their business. The use of pine by timber buyers in Switzerland County is estimated to be very minimal, thus estimated economic impact to timber buyers in Switzerland County is minimal to non-existent.

The IEDC does not object to the economic impact associated with the proposed rule. The anticipated costs associated with the rule are expected to be minimal and may help businesses and the State of Indiana avoid future costs if the entire state were to be designated by the USDA as a quarantine area. If you have any questions about the comments contained herein please contact me at 232-8962 or [rasberry@iedc.in.gov](mailto:rasberry@iedc.in.gov).

Regards,

A handwritten signature in black ink, appearing to read "Ryan Asberry".

Ryan Asberry  
Assistant Vice President  
Indiana Economic Development Corporation